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8 Attorneys For Creditor Conntechical Industries, Inc.

9 **UNITED STATES BANKRUPTCY COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**

11 **In re:**

12 **CT DRIVES, LLC,**

13 Debtor.

Case No. 11-60198 SLJ 11

Chapter 11

14 **MOTION OF CREDITOR**
15 **CONNTECHNICAL INDUSTRIES,**
16 **INC. TO CONVERT THIS CASE TO**
17 **A CASE UNDER CHAPTER 7**

18 Date: September 6, 2012

19 Time: 9:30 a.m.

20 Place: United States Bankruptcy Court
21 280 S. First St., Room 3099
22 San Jose, California 95113

23 Judge: Hon. Stephen L. Johnson

24 TO THE CLERK OF THE COURT, DEBTOR CT DRIVES, LLC AND ITS COUNSEL, AND
25 ALL OTHER INTERESTED PARTIES:

26 Creditor Conntechical Industries, Inc. ("Conntechical") hereby moves for an order
27 converting this case to a case under Chapter 7 of the United States Bankruptcy Code.

28 This motion is made pursuant to Bankruptcy Code Section 1112(b), on the grounds that
cause exists for such conversion, and that such conversion is in the best interests of creditors and the
estate.

The motion is made on the grounds that, *inter alia*, (a) there is substantial and continuing
loss to or diminution of the estate of debtor CT Drives, LLC ("Debtor"), with no reasonable


1 likelihood of rehabilitation; the estate has been grossly mismanaged; Debtor has dispersed virtually
2 all of its assets to insiders, leaving a corporate "shell" that exists solely for the purpose of seeking to
3 prevent Conntechnical from recovering any substantial portion of its claim herein; and Debtor has
4 failed to remit federal taxes withheld from employee wages.

5 The motion is based on the Notice of Hearing, Memorandum of Points and Authorities, and
6 Declarations of Peter C. Bronson and Connard P. Cali (including the exhibits thereto) filed
7 concurrently herewith, and such additional evidence and argument as may be presented at the
8 hearing on the Motion.

9 DATED: August 6, 2012

Respectfully submitted,

10 Peter C. Bronson
11 LAW OFFICES OF PETER C. BRONSON
12 A Professional Corporation

13 By: 

14 Peter C. Bronson
15 Attorneys for Creditor
16 Conntechnical Industries, Inc.